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FISCAL IMPACT STATEMENT

LS 6323

BILL NUMBER: HB 1063

NOTE PREPARED: Nov 14, 2004

BILL AMENDED:

SUBJECT: Eminent Domain for Commercial Uses.

FIRST AUTHOR: Rep. Wolkins

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill prohibits the taking of private property by eminent domain for commercial purposes.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues: See *Explanation of Local Revenues*.

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill would prevent a governmental entity from acquiring land through the use of eminent domain and using it for commercial uses. The bill defines a commercial use as one that is not directly related to providing a governmental service or fulfilling a governmental responsibility. Uses such as private residential use or development, private development under a lease, and retail or industrial uses are listed by the bill as being commercial uses.

This bill would prevent redevelopment commissions from disposing of land which was acquired via eminent domain to private developers to make intended improvements. The fiscal impact of this bill is indeterminable.

State Agencies Affected: Any entity having the ability to exercise the power of eminent domain.

Local Agencies Affected: Any entity having the ability to exercise the power of eminent domain.

Information Sources:

Fiscal Analyst: Valerie Ruda, 317-232-9867.